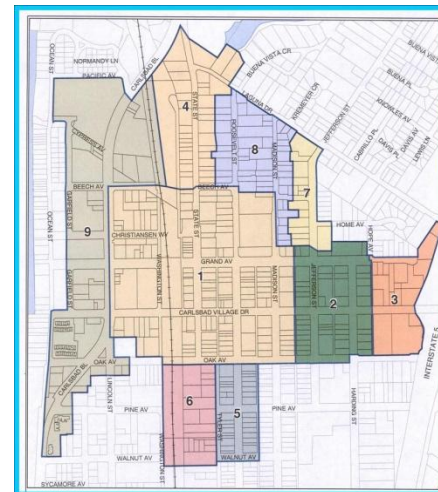


## **New Restaurants in the Village of Carlsbad Frequently Asked Questions and Answers**

The city has recently received greater interest from business owners who would like to expand and/or open new restaurants within the Village Area, and/or from property owners who would like to convert their leasable space to allow for a restaurant use. The city is excited about this interest and encourages it. To help address land use and permitting requirements, the city has developed this frequently asked questions and answers (FAQ) sheet for information purposes. This FAQ sheet is intended to address the most commonly asked questions. There are many variations on requirements depending on existing land use and type of restaurant. Please contact the Housing and Neighborhood Services Department for more detailed discussion on the requirements and various issues you may be required to address when opening a new restaurant in the Village.

**Q1. I would like to open a new restaurant in the Village Area of the City of Carlsbad. Where can I open a new restaurant?**

- A1. Restaurants are permitted in Village Land Use Districts 1-5 and 9. They are not permitted in Land Use Districts 6-8. See Map to the right for the boundaries of the noted land use districts.



**Q2. Would I be allowed to open my restaurant within an existing building/space in the Village, which is currently or previously used for a restaurant?**

- A2. Yes. If the space is currently or was previously used for a restaurant, you would be allowed to open another restaurant in that space. If you complete tenant improvements, you will be required to meet current building and other related codes and regulations and may be required to upgrade for handicap accessibility purposes. A change in ownership of a restaurant also triggers a requirement to upgrade the Grease Control Device for the facility. See discussion below on the Fats, Oils, and Greases (FOG) Ordinance requirements for the City of Carlsbad. This will not, however, trigger a requirement to provide additional parking for the restaurant use (even if there is no parking currently provided). It should be noted, however, that it could trigger the requirement to change a standard parking space to a handicap accessible space under the building code requirements.

**Q3. Would I be allowed to open my restaurant within an existing building/space in the Village, which is currently or previously used for a use other than restaurant (i.e, retail or office use)?**

- A3. If the space is currently or previously used for a use other than restaurant (i.e, retail, commercial service, office, etc), then you *may* be able to use the existing building but you will be required to apply for a land use permit to convert the use to restaurant. You also will be required to meet all current requirements for parking, building code compliance, fire code compliance and other related codes. There will also be additional fees required for traffic, sewer, water and perhaps other utilities. It is important to also note that all new food service facilities must include installation of a grease control device to meet a city

ordinance adopted to address fats, oils and greases that have potentially negative impacts on the city's sanitary sewer system. This is discussed further below in this FAQ sheet.

**Q4. What type of land use permit will I be required to obtain?**

A4. If you intend to open your new restaurant in an existing building/constructed space which is not currently or previously used for a restaurant, you will need to apply for an Administrative Review Permit if you are changing the use (ie., retail to restaurant). If you will be constructing a new building or adding onto an existing building, you may apply for an Administrative Village Review Permit if the building valuation of the new construction is less than \$60,000. If the building valuation for new construction is \$60,000 to \$150,000, you will need to apply for a Minor Review Permit. If the building valuation exceeds \$150,000, you will need to apply for a Major Review Permit. An administrative permit is approved by the Housing and Redevelopment Director. If appealed, a public hearing is required before the Planning Commission. A minor review permit is approved by the Planning Commission. It is appealable to the City Council. A major review permit requires approval of the City Council, following a public hearing before the Planning Commission for a recommendation. These applications are on the city's website at [www.carlsbadca.gov/redevelopment](http://www.carlsbadca.gov/redevelopment).

**Q5. If I am converting non-restaurant space to a restaurant, do I need to provide additional parking?**

A5. Most likely, yes. In addition to the higher fees for a restaurant use, parking is often the most difficult issue for new restaurants to address if they are converting space from another use. If the new use has a higher parking requirement than the existing use, additional parking must be provided. A credit for parking for any existing commercial use is considered on a case-by-case basis as a standards modification. However, the Village Master Plan allows for an alternate method for calculating parking and some creative options that are not available to new restaurants outside the Village Area. Parking requirements in the Village Area are calculated according to *net* floor space rather than *gross* floor space. This calculation method results in a lower parking requirement in the Village than other parts of the city. For example, a 1000 square foot building would require ten parking spaces if the restaurant parking was calculated on *gross* floor space. Under a net floor space calculation, we would reduce the total floor space by the floor space dedicated to restrooms, walkways, corridors, storage space and similar spaces. As an example, if 200 square feet is dedicated to the noted uses, the *net* floor space would be 800 square feet. In this situation, the parking requirement would be eight spaces rather than ten (a 20% reduction in the parking requirement).

In the Village, you may also use a *mixed* parking ratio. For example, if a portion of your space is used for a small retail store to sell prepared foods or other products such as wine, breads, artworks, home accessories, etc., you would be allowed to park this area at one space for every 300 square feet of net floor space and then park the restaurant at one space for every 100 square feet of net floor space. This could again reduce the parking requirement for the total space. With our 1000 square foot example, if 300 square feet was dedicated to retail, the parking requirement would be one space. If the restaurant space then had a net of 500 square feet, it would have a parking requirement of five spaces. In this scenario, the total parking requirement would be six spaces.

**Q6. How do I meet the parking requirement to allow for conversion of non-restaurant space to a restaurant?**

A6. Once a parking calculation is made, there are a few options in the Village for addressing the parking. First, if there is no parking on site or inadequate parking, the business owner and/or property owner may pay the parking in-lieu fee to meet the parking requirement. The total amount of parking that can be satisfied through payment of the parking in-lieu fee is based on location within the Village and proximity to a public parking lot (off street). This parking in-lieu fee option is only available to

properties within the Village. The parking in-lieu fee is \$11,240 per required space that is purchased. This represents approximately one-third of the cost to produce a public parking space.

Another option is for the business owner and/or property owner to enter into a joint or shared parking arrangement for parking on other private (off-street) property within 300 feet of the proposed restaurant. For example, if the restaurant will primarily be open in the evening and on weekends and there is a bank or office use within 300 feet that is only open during the day and not open on weekends, the restaurant owner/property owner may enter in an agreement to share the parking. This option would need to have a formal agreement that is approved by the Planning Commission and/or City Council.

A third option is for the business owner and/or property owner is to enter into a long-term lease and/or purchase other private property within 300 feet of the proposed restaurant and provide the required parking on that property. This option would also need to be approved by the Planning Commission and/or City Council.

A fourth option is for the business/property owner to request a standards modification from the City Council. This could be a modification to allow credit for the existing parking on the site and/or to otherwise modify the parking standard and/or location for the parking for the proposed new restaurant. Standards modifications can be requested to 1) provide affordable housing; 2) in order to develop a silver or higher LEED certified building; 3) to build housing at the densities permitted in the Village; and/or 4) for projects that have a significant public benefit or that assist the City Council in meeting goals and objectives set forth in the Village Master Plan. For a new restaurant to receive a standards modification, the significant public benefit would need to be demonstrated in a satisfactory manner to the City Council for approval. The Planning Commission would need to review the request and make a recommendation to the City Council.

**Q7. What are the restaurant requirements for FOG (Fats, Oils and Greases)?**

A7. The City of Carlsbad has adopted an ordinance regarding Fats, Oils and Greases, commonly known as FOG, to address the negative effects it has to the sanitary sewer system. All new construction of food service facilities must include installation of a grease control device in addition to other actions related to the reduction of grease discharge to the sewer system. A change in ownership of a restaurant also triggers the requirement to provide for any necessary upgrades to the Grease Control Device. Restaurants are required to store fats, oils and grease in containers that are picked up or serviced by permitted recycling and rendering facilities. Restaurants must install city-approved grease control devices to prevent the discharge of FOG into the sewer system. These requirements are explained further within the FOG ordinance which can be found on the City's website at [www.carlsbadca.gov](http://www.carlsbadca.gov). Click on "Doing Business" and then "Municipal Code" on the home page of the website. You will want to review Chapter 13.06 of the Municipal Code for the FOG requirements. Additional information is provided by the Wastewater Division of the City's Utilities Department on the City's website at [www.carlsbadca.gov/services/departments/sewer](http://www.carlsbadca.gov/services/departments/sewer).

The FOG Program Manager can be reached at 760-438-2722 for assistance with understanding and/or compliance with these requirements.

**Q8. Are there any other important requirements or issues a property owner/restaurateur should be aware of when considering a new restaurant in the Village?**

A.8 Yes. There are a variety of other questions that should be asked and/or requirements considered as early in the process as possible to prevent surprises and/or disappointments.

**Design Assistance:** The city's building department has suggested that a property owner/restaurateur include an architect or commercial restaurant designer in addition to a contractor in all preliminary feasibility discussions for a new restaurant. The cook line design including a mechanical hood exhaust system and fire suppression and plumbing systems which include grease interceptors, floor drains and required disabled restroom facilities are typically big cost improvements. The cost can vary significantly from one tenant space to another. It is important to understand these requirements and related costs as early in the process as possible.

**Disabled Access within a Restaurant:** Often times, there can also be a change in elevation within one area to another within a proposed restaurant space which might require a ramp for disabled access purposes. This is a fairly common problem in older buildings. It could also result in a significant cost that should be considered early in the process.

**Health Department Review:** In addition to the city, the San Diego County Health Department must approve plans for all restaurants under a separate review. The Health Department has additional and unique requirements separate from the city. The property owner/restaurateur is responsible for submitting plans to the Health Department for review.

**Fees for Restaurants:** For many new restaurant operators, the high cost of fees required at the building permit stage for a new restaurant approval can catch them off guard. Often, property owners and/or new restaurant operators are not aware of these fees and do not include them in their budgets for construction. This can be a costly oversight from a financing perspective. It is suggested that these fees be researched during the design phase, and prior to submitting any development applications. As an example, recently (2010) a restaurant owner proposed to convert an approximately 1700 square foot retail space to a restaurant space in the Village Area. This was a "sit down" restaurant proposed to have 40 seats. This restaurant has estimated fees of \$54,000 which included sewer and traffic impact fees. To estimate fees, the city will need to receive a detailed floor plan and a description of the proposed restaurant.

**Alcohol Beverage Control License:** If you intend to sell alcohol in your restaurant, you will need a license from the State Department of Alcohol Beverage Control. This process is lengthy and not within the control of the City of Carlsbad. The city provides input into the licensing process. But, the process is entirely managed by ABC.

**Entertainment License:** If you intend to have live entertainment within your restaurant, you will need to obtain approval of a restaurant with entertainment land use permit from the city. You also will need to obtain an entertainment license through the Police Department. These are two separate permits but related in terms of operational conditions.

**Signage:** You will need to obtain a sign permit from the city for any signage you intend to install on your restaurant building.

**Q9. Wow! With all of these rules, regulations, and fees, is it really true that the city wants new restaurants in the Village?**

**A9.** Yes we do! We know that it may not be easy, cheap, fast or particularly fun to build a new restaurant in the Village. But, we can tell you that we believe it will be worth the effort. The Village has a strong reputation as the place to eat in Carlsbad. We believe that the Village has something for everyone and we are eager to encourage even more diversity of choice. We are working to identify ways that we can help to create a more inviting environment. We hope that this information FAQ sheet will provide a good first step towards a successful relationship between you, as the property or business owner, and the city. We look forward to assisting you in your effort. Please call if you need additional help.